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## OLR Bill Analysis

sSB 945

### ***AN ACT CONCERNING THE PAYMENT OF SECURITY DEPOSITS TO MUNICIPAL UTILITIES FURNISHING ELECTRIC, GAS OR WATER SERVICE.***

#### **SUMMARY:**

This bill requires municipal utilities, by January 1, 2014, to develop a security deposit plan for new and existing commercial and industrial customers. The requirement applies to municipal electric, gas, and water utilities.

The plan must require the utility to (1) accept an irrevocable letter of credit as an alternative to a cash security deposit when a customer opens an account with the utility and (2) accept an irrevocable letter of credit and refund the cash security deposit a customer made when opening an account, so long as he or she kept current on the account for the previous seven years. A utility that already has a security deposit plan does not have to include these provisions if they are less favorable to the customer than its plan's current requirements.

EFFECTIVE DATE: Upon passage

#### **COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea    24    Nay   0    (03/21/2013)